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An Act Regarding the Reorganization of Regional School Units and Allowing a Municipality To Opt Out of an Existing School Structure

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §1466 is enacted to read:

§ 1466. Withdrawal of a single municipality from a regional school unit

1. Petition. The residents of a municipality within a regional school unit may petition to withdraw from the regional school unit in accordance with this subsection.

A. Ten percent of the number of voters in the municipality who voted at the last gubernatorial election must sign the petition to withdraw from the regional school unit.

B. At least 10 days before the special election called pursuant to this paragraph, the municipal officers of the municipality within the regional school unit shall hold a posted or otherwise advertised public hearing on the petition. The municipal officers shall call and hold a special election in the manner provided for the calling and holding of town meetings or city elections to vote on the withdrawal of the regional school unit.

C. The petition to withdraw from the regional school unit must be approved by secret ballot by a majority vote of the voters present and voting before it may be presented to the board of directors and the commissioner. Voting in towns must be conducted in accordance with Title 30-A, sections 2528 and 2529, even if the towns have not accepted the provisions of Title 30-A, section 2528, and voting in cities must be conducted in accordance with Title 21-A.

2. Form. The article to be voted upon must be in substantially the following form:

"Article: Do you favor filing a petition for withdrawal with the board of directors of regional school unit (name of regional school unit) and with the Commissioner of Education, authorizing the withdrawal committee to expend \$ (insert amount) and authorizing the (municipal officers; i.e., selectpersons, town council, etc.) to issue notes in the name of the (name of the municipality) or otherwise pledge the credit of the (name of the municipality) in an amount not to exceed \$ (insert amount) for this purpose?"

Yes No"

3. Notice of vote; finding by commissioner. If residents of the municipality vote favorably on a petition for withdrawal, the clerk shall immediately give written notices, by registered mail, to the secretary of the regional school unit and the commissioner that must include:

- A. The petition adopted by the voters, including the affirmative and negative votes cast; and
- B. An explanation by the municipal officers, stating to the best of their knowledge the reason or reasons why the municipality seeks to withdraw from the regional school unit.

4. Agreement for withdrawal; notice; changes in agreement; final agreement.

The agreement for withdrawal must comply with this subsection.

A. The commissioner shall direct the municipal officers of the petitioning municipality to select representatives to a committee as follows: one member from the municipal officers, one member from the general public and one member from the group filing the petition. The commissioner shall also direct the directors representing the petitioning municipality to select one member of the board of directors who represents that municipality to serve on the committee. The municipal officer and the member of the board of directors serve on the committee only so long as they hold their respective offices. Vacancies must be filled by the municipal officers and board of directors. The chair of the board of directors shall call a meeting of the committee within 30 days of the filing of the notice of the vote in subsection 3. The chair of the board of directors shall open the meeting by presiding over the election of a chair of the committee. The responsibility for the preparation of the agreement rests with the committee, subject to the approval of the commissioner. The committee may draw upon the resources of the department for information not readily available at the local level and employ competent advisors within the fiscal limit authorized by the voters. The agreement must be submitted to the commissioner within 90 days after the committee is formed. Extensions of time may be granted by the commissioner upon the request of the committee.

(1) The agreement must contain provisions to provide educational services for all students of the participating municipality within the regional school unit. The agreement must provide that during the first year following the withdrawal, students may attend the school they would have attended if the petitioning municipality had not withdrawn. The allowable tuition rate for students sent from one municipality to another in the former regional school unit must be determined under section 5805, subsection 1, except that it is not subject to the state per pupil average limitation in section 5805, subsection 2.

(2) The agreement must establish the withdrawal to take effect at the end of the regional school unit's fiscal year.

(3) The agreement must establish that the withdrawal will not cause a need within 5 years from the effective date of withdrawal for school construction projects that would be eligible for state funds. This limitation does not apply when a need for school construction existed prior to the effective date of the withdrawal or when a need for school construction would have arisen even if the municipality had not withdrawn.

(4) The agreement must establish how transportation services will be provided.

(5) The agreement must provide for administration of the new administrative unit, which should not include the creation of new supervisory units if at all possible.

(6) The agreement must make provision for the distribution of financial commitments arising from outstanding bonds, notes and any other contractual obligations that extend beyond the proposed date of withdrawal.

(7) The agreement must provide appropriately for the distribution of any outstanding financial commitments to the superintendent of the regional school unit.

(8) The agreement must provide for the continuation and assignment of collective bargaining agreements as they apply to the new or reorganized regional school unit for the duration of those agreements and must provide for the continuation of representational rights.

(9) The agreement must provide for the continuation of continuing contract rights under section 13201.

(10) The agreement must provide for the disposition of all real and personal property and other monetary assets.

(11) The agreement must provide for the transition of administration and governance of the schools to properly elected governing bodies of the newly created administrative unit and must provide that the governing body may not be elected simultaneously with the vote on the article to withdraw unless the commissioner finds there are extenuating circumstances that necessitate simultaneous elections.

B. Within 60 days of the receipt of the agreement, the commissioner shall either give it conditional approval or recommend changes. The changes must be based upon the standards set forth in paragraph A and the commissioner's findings of whether the contents of the agreement will provide for appropriate educational and related services to the students of the petitioning municipality within the regional school unit and for the orderly transition of assets, governance and other matters related to the petitioning municipality and the regional school unit.

C. If the commissioner gives conditional approval of the agreement, the commissioner shall notify the board of directors of the regional school unit and the municipal officers by registered mail of the time and place of a public hearing at least 20 days prior to the date set for the hearing to discuss the merits of the proposed agreement of withdrawal. The chair of the board of directors shall conduct the hearing.

(1) The board of directors shall post a public notice in each municipality of the time and location of the hearing at least 10 days before the hearing.

(2) Within 30 days following the hearing under this paragraph, the committee shall forward the final agreement to the commissioner.

D. If the commissioner recommends changes to the agreement, the commissioner shall:

(1) Send the agreement back to the committee for necessary corrections;

(2) Establish a maximum time within which to make the corrections; and

(3) Indicate that the corrected agreement must be returned to the commissioner for conditional approval before it goes to public hearing as set forth in paragraph C.

5. Date of municipal election; notice; warrant; polling hours. The date and time for voting is as set forth in this subsection.

A. The commissioner shall determine the date upon which the voters of the petitioning municipality must vote upon the agreement submitted to them. The election must be held as soon as practicable, and the commissioner shall attempt to set the date of the vote to coincide with a statewide election.

B. At least 35 days before the date set in paragraph A, the commissioner shall give written notice of the date by registered or certified mail to the town or city clerk of the municipality petitioning to withdraw.

C. The town or city clerk shall immediately notify the municipal officers upon receipt of the notice under paragraph B, and the municipal officers shall meet and immediately issue a warrant for a special town meeting or city election, as the case may be, to be held on the date designated by the commissioner. No other date may be used.

D. In the respective warrants under paragraph C, the municipal officers shall direct that the polls are to be open at 10 a.m. and remain open until 8 p.m.

6. Public hearing; voting procedures. The following requirements apply to the voting procedures.

A. At least 10 days before the election, the municipal officers shall hold a posted or otherwise advertised public hearing on the withdrawal question.

B. Except as otherwise provided in this section, the voting at the meeting held in a town must be conducted in accordance with Title 30-A, sections 2528 and 2529, even if the town has not accepted the provisions of Title 30-A, section 2528.

C. The voting at the meeting held in a city must be conducted in accordance with Title 21-A.

7. Article. The article to be voted on must be in the following form.

"Article: Do you favor the withdrawal of the (name of municipality) from the regional school unit (name of regional school unit) subject to the terms and conditions of the withdrawal agreement dated (insert date)?

Yes No"

8. Ballots; posting of agreement. The withdrawal agreement need not be printed on the ballot. Copies of the agreement must be posted in the municipality in the same manner as specimen ballots are posted under Title 30-A, section 2528.

9. Restriction on withdrawal petitions. A municipality within a regional school unit may not petition for withdrawal within 2 years after the date of:

A. A municipal vote on a petition for withdrawal if the petition received less than 45% of the votes cast; or

B. A municipal vote on a withdrawal agreement if the agreement received less than 60% of the votes cast.

10. Cost of advisors. The expense of employing competent advisors by the municipality petitioning to withdraw must be borne by the municipality, and the expense of employing competent advisors by the regional school unit must be borne by the regional school unit with the municipality bearing its share according to the regional school unit's cost-sharing agreement.

11. Determination of vote. The town or city clerk shall, within 24 hours of determination of the result of the vote in the municipality, certify the total number of votes cast in the affirmative and the total number of votes cast in the negative on the article to the commissioner.

12. Determination of results; execution of agreement. If the commissioner finds that a majority of the voters voting on the article have voted in the affirmative, the commissioner shall notify the municipal officers and the directors of the regional school unit boards to take steps for the withdrawal in accordance with the terms of the agreement for withdrawal.

13. Recount; checklists and ballots; disputed ballots. This subsection applies to recounts, checklists, ballots and disputed ballots.

A. If, within 7 days of the computation and recording of the results of the voting, the municipality requests to the commissioner in writing a recount of the votes, the commissioner shall immediately cause the checklists and all the ballots cast in the municipality to be collected and kept at the commissioner's office so they may be recounted by the municipality.

B. The town or city clerk of the municipality is authorized to deliver the checklists and ballots to the commissioner, notwithstanding any other provision of law to the contrary.

C. The commissioner shall resolve any question with regard to disputed ballots.

14. Execution of agreement; certified record; certificate of withdrawal. When the agreement for withdrawal has been put into effect by the municipality, the municipal officers shall notify the commissioner by certified mail that the agreement of withdrawal has been executed.

15. Indebtedness; indebtedness defined; indebtedness after withdrawal. This subsection applies to outstanding indebtedness.

A. Whenever a municipality withdraws from a regional school unit having outstanding indebtedness, the regional school unit remains intact for the purpose of securing and retiring the indebtedness. The withdrawal agreement may provide for alternate means for retiring outstanding indebtedness.

B. For the purposes of this subsection, "outstanding indebtedness" means bonds or notes for school construction projects issued by the board of directors pursuant to the authorization established under chapter 609 or Title 20, sections 3457 to 3460 or obligations to the Maine School Building Authority pursuant to any contract, lease or agreement made by the board of directors pursuant to approval of the contract, lease or agreement in a meeting of the regional school unit, but does not include any indebtedness of the municipality assumed by the regional school unit at the time of formation nor any contract, lease or agreement of the Maine School Building Authority to which by operation of law the regional school unit has become the assignee.

16. General purpose aid. When a municipality withdraws from a regional school unit, the general purpose aid for the municipality must be computed in accordance with chapter 606-B.

17. Committee recall. If the commissioner determines that the withdrawal committee has failed to comply with the requirements of this section, the commissioner may authorize the municipal officers to appoint new representatives to the committee.

18. Transfer of property. The board of directors may negotiate with the withdrawal committee regarding an equitable division of the regional school unit's property between the regional school unit and the municipality represented by the committee and transfer title of the property to the municipality following withdrawal. The board of directors shall determine that the regional school unit's educational program will not be disrupted solely because of the transfer of any given property before it may complete the transfer.

Sec. 2. 20-A MRS §1467 is enacted to read:

§ 1467. Transfer of a municipality from one regional school unit to another

1. Petition to commissioner. The boards of directors of 2 regional school units may petition the commissioner by joint resolution to permit a municipality to transfer from one regional school unit to another, as long as that municipality is being transferred to a regional school unit contiguous to the municipality.

2. Transfer agreement. The boards of directors of the 2 regional school units and the municipal officers of the municipality involved shall form a committee to prepare a transfer agreement within 60 days after being authorized by the commissioner to prepare the agreement. Extensions of time may be granted by the commissioner.

A. The committee shall consider the standards set forth in section 1466, subsection 4, paragraph A in preparing the agreement.

B. The approval process for the agreement must follow the steps set forth in section 1466, subsections 4 to 16.

C. The following article must appear on the ballot when the transfer of a municipality is considered under paragraph B.

"Article: Do you favor permitting the (name of municipality) to transfer from regional school unit (name of regional school unit) into regional school unit (name of regional school unit) as a participating municipality of that regional school unit subject to the terms and conditions of the agreement of transfer approved by the Commissioner of Education dated (insert date)?

Yes No"

A copy of the agreement must be posted with each warrant that directs the citizens to vote upon the question.

D. The article must be approved by a majority of votes cast in both regional school units and by a majority of votes cast in the municipality to be transferred before the agreement may take effect.

E. A complete certified record of the transaction involved in the transfer must be filed with the commissioner. The commissioner shall issue immediately a certificate of transfer to the secretaries of the regional school units by registered mail to be filed with the boards of directors of the regional school units involved and shall file a copy of the certificate of transfer in the office of the Secretary of State.

3. Outstanding indebtedness. Whenever a municipality, or a part of a municipality, is detached from a regional school unit having outstanding indebtedness, the municipality or part of a municipality remains as part of the regional school unit from which it was detached for the purposes of paying its proper portion of the indebtedness until the indebtedness is redeemed. The municipality or part of a municipality is not part of the regional school unit from which it was detached for the purpose of any outstanding indebtedness incurred subsequent to the date of the certificate of transfer.

For purposes of this subsection, "outstanding indebtedness" means bonds or notes for school construction projects issued by the board of directors pursuant to the authorization established under chapter 609 or Title 20, sections 3457 to 3460 or obligations to the Maine School Building Authority pursuant to any contract, lease or agreement made by the board of directors pursuant to approval of the contract, lease or agreement in a meeting of the regional school unit, but does not include any indebtedness of the municipality assumed by the regional school unit at the time of formation nor any contract, lease or agreement of the Maine School Building Authority to which by operation of law the regional school unit has become the assignee.

Sec. 3. 20-A MRSA §1468 is enacted to read:

§ 1468. State board review of commissioner's decisions

A regional school unit or other interested party may request that the state board reconsider decisions made by the commissioner under this subchapter. The state board has the authority to overturn decisions made by the commissioner. In exercising this power, the state board is limited by this subchapter.

SUMMARY

This bill enacts into law provisions regarding the reorganization of regional school units. The new provisions are similar to the Maine Revised Statutes, Title 20-A, former sections 1405 and 1406 and allow the withdrawal from a regional school unit of a municipality and the transfer of a municipality out of one regional school unit into another. The bill also includes provisions that formerly applied in this area of law authorizing the State Board of Education to review decisions of the Commissioner of Education and to make rules concerning the reorganization of the regional school units.